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R. WILSON-SMITH, *Proprietor.*

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LARGE FIELD FOR BRITISH CAPITAL IN CANADA—IN SECURITIES AND MANUFACTURING ENTERPRISES.

It is well known that British capital has played a very important part in the development and building up of the United States. Twenty and thirty years ago it was sent over by millions to aid in the construction of United States railroads. Up to ten years ago the British holdings of railroad stocks and bonds were so large that it was a problem of some importance for the New York banks to finance the half-yearly interest and dividend payments. Later the British capital has been going largely into United States industrials. In a great many lines the investment has been very heavy, and both the investors and the country in which the investments were made have benefited greatly thereby.

In the last few years British capitalists and investors have begun to take considerably more interest in the Dominion than they took formerly. There always has been a moderately large stream of investment capital flowing Canada-wards from the British Isles. The money has gone into our railroads, our loan and mortgage companies, banks and government and municipal bonds; also to a moderate extent into industrial and mining ventures. By far the greater part of it has been in the shape of purchases of bonds and of stocks having a fixed revenue return. To this extent the Britisher has thus taken the part of secured creditor—having loaned his money at a rate per cent.—rather than that of owner of equities or of a partnership participation in profits. There is a very large class of investors in the United Kingdom given to investing in government, railroad, and other bonds, at home and abroad. The funds they advance are of the utmost importance to the people of the countries receiving them.

Canada thoroughly appreciates the benefits she has gained from this class of the British investments in the Dominion. What is more she recognizes that in the immediate future she will be more than usually dependant on Great Britain for a continuation and increase of the same class of in-

vestments to enable her to carry to completion the extensive railroad and other projects on which she has embarked. While recognizing this, it is felt here at the same time that there is another phase of investment in Canada that might receive more attention in the United Kingdom, to the profit of both countries. There is a promising field for a different kind of investment, appealing to a different class of investor.

In the last five years there have been a few instances of British industrial plants being established in Canada—among the announcements, that regarding the establishment of a branch carpet manufacturing plant at Peterboro, Ontario, is prominent. The representatives of the British financial journals, now here on their tour of inspection, might do worse than to give an important share of their attention to this matter. If they cover the country at all thoroughly they can hardly escape being struck by the number and variety of the branch manufacturing plants built, building, and to be built in this country by United States companies. They will find them quite thickly scattered in Montreal and Toronto, and prominently in evidence in Hamilton, Winnipeg, Collingwood, Welland, Peterboro, and a dozen other places. These United States concerns have not conducted their invasion of the Dominion in a faint or half-hearted manner. They have spent their money liberally with the object of having, on this side the line, thoroughly modern plants with capacities for taking advantage of the expected rapid development of the Canadian requirements. There are several very well-known concerns among the lot. The International Harvester Company at Hamilton, American Locomotive Company at Montreal, and the Lake Superior Corporation at the Soo, might be mentioned.

But apart from these there is a long list of substantial concerns intent upon profiting from Canada's industrial growth. In the little town of Welland a Massachusetts cordage company has just invested \$1,000,000 in a splendid plant, another Boston concern has just obligated itself to spend something like \$1,500,000 in the same place.

All these companies are building for the future. They evidently are satisfied that the Canadian trade is going to develop into something well worth while, and that in a very short time. Immigration is at the rate of 300,000 a year. A large number of the new settlers are of an exceedingly desirable class. The yields of the farms, the mines, forests, and fisheries are enormous; and the country's purchasing powers are increasing very rapidly. Why should not the British manufacturer have his share of this? He can hardly hope to get much if he tries to supply the market from his old country plants. Undoubtedly Great